

PLYMOUTH RETIREMENT BOARD
Friday, June 21, 2019
8:15 a.m.
212 South Meadow Road, Unit #3
Plymouth MA 02360

Vice Chair Lynne Barrett called the meeting to order at 8:15 a.m. in the conference room of the Plymouth Retirement Office. Present Board Members were Gerald Coughlin, Shawn Duhamel, and Dale Webber. Also present were Anthony Tranghese of FIA, Wendy Cherry, and Karry Barros.

Section I: Regular Business

Warrants:

Warrant #5 Dated May 31, 2019	\$	1,764,818.96	Partial
Warrant #6 Dated June 30, 2019	\$	27,605.34	Partial
Warrant #7 Dated July 31, 2019	\$	6,000.00	Partial

Trial Balance as of April 30, 2019: \$172,829,639.17

Motion to approve Warrants made by Mr. Coughlin; Seconded by Mr. Duhamel. Unanimously voted.

Public Comment:

New/Old Business:

Mr. Webber informed the Board that a DPW employee who is a member of the group that submitted accident reports due to asbestos exposure, was told during an annual exam that there is calcified plural plaque in this employee's lungs. Mr. Webber added that there were 14 or 15 employees involved in this workplace accident and all have filed accident reports.

Mr. Duhamel asked when the exposure took place.

Mr. Webber responded that it took place in late 1998.

PERAC MEMOS:

Memo #17/2019: Tobacco Company List

Investments:

Mr. Tranghese told the Board that the PRIT statements for May were released yesterday so he will email copies to the Board later.

Mr. Tranghese discussed Boston Advisors underperformance. He told the Board that May was a difficult month, June would be the best month of performance in 4 ½ years if it were to end today. He added that the Feds are acting dovish and will probably lower rates. The yield curve is currently inverted, shorter period treasuries such as 2-Year are at 2% and 10-Year are lower than 2%. The last 9 times we observed this curve, usually about 19 months later there has been a recession. Mr. Tranghese informed the Board that there was a call made to Boston Advisors Portfolio Team and the short explanation for their underperformance is that their style has been a little out of favor. Their One-Year number is 4% while the S&P is at 9.5% leaving them 5% behind the Index. Their 3-Year and 5-Year numbers are not favorable either. Their investment approach is Quantitative with some Fundamental overlay using a Regime Model. Their Regime Model has directed them one way which has not been effective in this broad market environment. They have outperformed in environments that were Growth led. A challenge they have had is that the valuation factor has been a negative, less expensive companies have not been outperforming more expensive companies. Their current outlook is that much of the pain in valuation has surpassed -valuation is a key input into their Regime Model. They believe Valuation will matter again and maintain that they have learned a lot recently in adjusting the portfolio after swift moves in Markets.

Vice Chair Barrett noted that in reviewing the graphs of performance, the trailing 3 Years looks very bad. She stated she would be apt to keep them on watch and see what happens.

Mr. Duhamel agreed that Boston Advisors has been struggling for some time. He asked Mr. Tranghese how long they should be kept on watch.

Mr. Tranghese explained that 12 months would be their thought process, through next Spring. He added that if there are signs that there is no improvement, the Board could decide before then. Mr. Tranghese told the Board that it is the Advisors bet, they will rebound.

Motion to put Boston Advisors on watch made Vice Chair Barrett; Seconded by Mr. Coughlin.

Discussion:

Mr. Duhamel asked how stable Boston Advisors workforce is.

Retirement Board Meeting Minutes
June 21, 2019

Mr. Tranghese responded that it is very stable. He told the Board that the good news is that the magnitude of their underperformance is low. This can be recovered over a couple years.

Mr. Webber asked if Boston Advisors is notified when they are put on watch.

Mr. Tranghese answered that Boston Advisors would be notified. The watch would last no longer than four quarters and each Board Meeting there would be discussions on their performance using the Flash Reports.

Motion to place Boston Advisors on watch stands. Unanimously voted.

Mr. Tranghese told the Board that FIA will be doing more frequent calls with Boston Advisors going forward.

Next Meeting:

July 26, 2019

Mr. Tranghese left the meeting at 8:45 a.m.

Section II: Membership:

New Hires:

Town:

- 9% Best, Theresa, Group 4, Police Officer
Perm. Full-time: \$996.32 weekly
Start Date: May 28, 2019
- 9% Hegerich, Jason, Group 1, Motor Equipment Operator
Perm. Full-time: \$772.525 weekly
Start Date: June 3, 2019
- 9% Lopes, Sara, Group 1, Recreation Assistant
Perm. Full-time: \$778.33 weekly
Start Date: May 28, 2019
- 9% Sird, Barbara, Group 1, Inspector/Lister
Perm. Full-time: \$924.74 weekly
Start Date: June 4, 2019

Motion to approve Town New Hires made by Mr. Webber; Seconded by Mr. Coughlin.
Unanimously voted.

Rollovers:

School:

Vincent, Yona, Group 1, Paraeducator
Thee (3) Years, Eight (8) Months Creditable Service (9/1/2015-5/28/2019)
Total Rollover: \$8,086.86

Motion to accept School Rollover made by Mr. Webber; Seconded by Mr. Coughlin.
Unanimously voted.

3(8)(c) Liability:

Kelly Kunkle, former Paraprofessional for Plymouth Public Schools is currently a member of the MA Teachers' Retirement System. Ms. Kunkle worked as a part-time Paraprofessional from March 14, 2011 to March 1, 2013. Ms. Kunkle was not allowed membership into the Plymouth Retirement System. If proper repayment of deductions and interest is made, will the Board take 3(8)(c) Liability for one (1) year of service?

Discussion: Miss Kunkle was on the May 31, 2019, agenda. Further discussion is needed on this request.

Ms. Cherry explained to the Board that Ms. Kunkle's approval for 3 (8)(c) liability was made in error. The Board should have denied liability because Ms. Kunkle was never eligible for membership in the Plymouth Retirement System.

Mr. Webber asked why the Board approved her request last month.

Ms. Cherry answered that the approval was made in error, after the May meeting it was discovered that the Board should have denied liability.

Ms. Barrett stated that Ms. Kunkle can put the request before the MTRB and they will most likely honor.

Motion to reconsider the approval of 3(8)(c) liability for Ms. Kunkle and deny her request made by Mr. Coughlin; Seconded by Ms. Barrett. Unanimously voted.

Retirements:

Town:

Carey, Brian, Group 4, Lieutenant Plymouth Fire
Thirty-Two Years (32), One (1) Month Creditable Service
Superannuation Retirement opt: c
Retirement Date: 7/8/2019

Retirement Board Meeting Minutes
June 21, 2019

Motion to approve Town Retirement made by Mr. Webber; Seconded by Mr. Coughlin.
Unanimously voted.

August Meeting Date: August 30, 2019

Adjourn:

Motion to adjourn Regular Meeting at 9:05 a.m. made by Mr. Webber; Seconded by Mr. Duhamel. Unanimously voted.

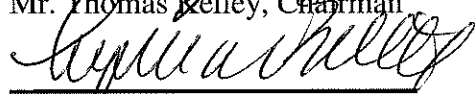
Respectfully submitted,

Karry A. Barros
Assistant Director

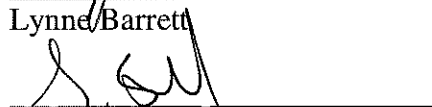
Plymouth Retirement Board:



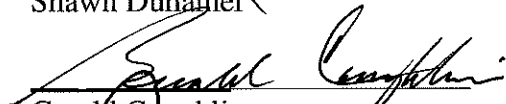
Mr. Thomas Kelley, Chairman




Lynne Barrett



Shawn Duhamel



Gerald Coughlin



Dale Webber

Dated: July 26, 2019